## **CP-37 Commission Position on Survey and Lease Objections to the Contract to Buy and Sell Real Estate**

The intention of the Commission in adopting the Contract to Buy and Sell Real Estate (CBS1-8-10 and the other versions of the Contract) is set forth below.

- 1. As background, under Section 8.1, Buyer has the right to object to title matters up to the **Title Objection Deadline**. Under Section 8.5, Seller has the obligation and right to use reasonable efforts to correct such objections and bear nominal expense prior to Closing. If any unsatisfactory title condition is not corrected prior to Closing, Buyer may either terminate the Contract or waive objection to any unsatisfactory title condition prior to Closing.
- 2. Under Section 8.2, if Buyer objects to any off-record matter on or before the **Off-Record Matters Objection Deadline**, the Contract will terminate. Seller has no right to cure such off-record matters. Seller does not have a right to cure any objection to existing surveys or leases under Section 8.2. Section 8.5 does not apply to objections under Section 8.2.
- 3. Under Section 7.3, Buyer may obtain a new, updated or recertified Survey (Current Survey) on or before the **Survey Deadline**. Current Surveys are different than existing surveys, surveys which are <u>not</u> current and which may be delivered to Buyer under Section 8.2 as an off-record matter; objections to existing surveys must be made on or before the **Off-Record Matters Objection Deadline**. Buyer may object to the Current Survey on or before the **Survey Objection Deadline**. If Buyer timely objects to the Current Survey, the Contract will terminate. Buyer's objection to the Current Survey is governed by Section 8.3.2, and Seller has no right to cure any objection to the Survey. Section 8.5 does not apply to objections under Section 8.3.2.
- 4. Under Sections 10.8.2 (Survey) and 10.8.3 (Leases) Buyer has a right to "terminate" the Contract. Seller has no right to cure any such objection. Section 8.5 does not apply to objections under Sections 10.8.2 and 10.8.3.

Conclusion: Buyer has a right terminate the Contract due to objections with any Survey (Existing or Current) or to any Lease. Seller has no right to cure any objection to the Survey or Lease (whether such objection is based on Section 7, 8 or 10 as Section 8.5 does not apply to Survey or Lease objections).